

D.C.'s Non-Compete Law Poised To Be Delayed Until October 1, 2022

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The District of Columbia's ban on non-compete agreements is delayed again. As we previously reported, the DC Government enacted The Ban on Non-Compete Agreements Amendment Act (the "Act") in January 2021, which creates one of the most comprehensive non-compete bans in the country. The Act generally prohibits all non-competes in the District, subject to very narrow exceptions, including significant limits on employers' ability to prohibit *simultaneous* employment. The Act became law in March 2021, but its restrictions were tied to an "applicability date" that left uncertainty about when the Act would take effect. In May 2021, Councilmember Elissa Silverman proposed Bill 24-256, the Non-Compete Conflict of Interest Clarification Act of 2022, which would amend the Act. In August 2021, Mayor Bowser signed legislation amending the Act so that its "applicability date" would be April 1, 2022. It was expected that the Act would be amended to address concerns about how the Act applies to employers' conflict of interest and ethics policies. But, with the Act poised to become fully effective, there had been no movement on Bill 24-256 or any other reform initiatives.

On March 1, 2022, the DC Council gave employers a little relief by passing an amendment which would delay the Act's applicability to October 1, 2022. All but one Councilmember voted yes in favor of the postponement, which will now be sent to the Mayor, who is expected to sign it. This delay will hopefully provide sufficient time for the Council to consider amendments to the Act before it goes into effect.

We will continue to report on developments related to the Act.

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